



**State of Vermont
Public Service Board**

MEMORANDUM

To: EEU E-mail Service List

From: Ann Bishop, Ed McNamara and Andrea McHugh, Board staff

Re: Next Steps for EEU Structure Working Group

Date: May 16, 2008

On May 2, 2008, Public Service Board ("Board") staff held the seventeenth meeting of the Energy Efficiency Utility ("EEU") Structure Working Group. At that meeting attendees agreed to the following next steps:¹

- On or before **May 9, 2008**, the Vermont Department of Public Service ("DPS") will draft proposed revisions to the language in the Draft Recommendation for a New Energy Efficiency Utility Structure ("Draft Recommendation") regarding cost-of-service compensation; the DPS will circulate the proposed revisions to the sub-group of Working Group participants who are interested in this issue. The DPS will circulate a revised draft to the full Working Group on or before **May 30, 2008**.
- On or before **May 9, 2008**, Central Vermont Public Service Corporation ("CVPS") will draft proposed revisions to the language in the Draft Recommendation regarding the Energy Efficiency Charge (Part I.3) to address other funds that also are available to fund the EEU's budget. This language will include a placeholder for alternative financing mechanisms. CVPS will circulate a revised draft to the full Working Group on or before **May 30, 2008**.
- On or before **May 23, 2008**, CVPS, the Vermont Public Power Supply Authority and the City of Burlington Electric Department will review the Memoranda of Understanding approved by the Board in Dockets 5980 and 6290 to determine which portions of those agreements would survive under the structure contemplated by the Draft Recommendation.

¹The date for the Working Group's next workshop was changed subsequent to the May 2 meeting. This memorandum changes several of the due dates that were agreed to at the May 2 meeting to reflect the additional time before the Working Group's next workshop.

- On or before **May 30, 2008**, Board staff, the DPS, and the EEU Contract Administrator will discuss which of the Contract Administrator's current responsibilities would more appropriately be assigned to the Board or to the DPS in the structure outlined in the Draft Recommendation. (This has occurred. The DPS will circulate draft revisions to the language in the Draft Recommendation regarding this issue to the Working Group on or before **May 30, 2008**.)
- On or before **May 30, 2008**, the DPS will circulate to the Working Group revisions to the introductory paragraph of the Draft Recommendation.
- On or before **May 30, 2008**, the DPS will work with VEIC to draft proposed language for the Draft Recommendation regarding the Measurement and Verification Plan required for participation in the regional Forward Capacity Market.
- On or before **May 30, 2008**, CVPS will add cross-references to other sections of the Draft Recommendation to the summaries of the distribution utilities' and transmission utility's roles and responsibilities. CVPS will also add information about the exchange of data that currently takes place between the EEU and the distribution utilities to the summaries of roles and responsibilities for those entities.
- On or before **May 30, 2008**, VEIC will circulate to the Working Group proposed revisions to the termination provisions of the Draft Recommendation (Part VI) that are consistent with the changed relationship between the EEU and the Board contemplated by the Draft Recommendation.
- From 9:30 a.m. to 12:00 p.m. on **June 3, 2008**, the EEU Structure Working Group will meet in the Board's Hearing Room, Third Floor, Chittenden Bank Building, 112 State Street, Montpelier, VT. At this meeting the Working Group will discuss all proposed revisions to the Draft Recommendation described above. It is expected that this will be the last workshop of the EEU Structure Working Group. The DPS has stated that once the EEU Structure Working Group process is complete, it intends to file a petition formally asking the Board to consider changing the structure of the EEU program. It is possible that the DPS's petition may be filed jointly with other parties. Any remaining issues associated with these next steps will be discussed at the June 3 workshop.
- VEIC is working with appropriate entities to develop estimates of the cost of items potentially subject to cost-of-service compensation in the future. VEIC intends to provide this information to the DPS and others on an informal basis when it is available. This is expected to be after the conclusion of the Working Group process, probably around mid-summer 2008.